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15 May 1956

MEMORANDUM FOR THE RECORD**1. Conversation with Senator Russell.**

The Director called on Senator Russell, accompanied by Messrs. White and Paul, to discuss the CIA building problem and other matters. The Director described the problem of inadequate authorization, probably by as much as \$10,000,000 for the construction of a building which would house all CIA employees. Senator Russell advised the Director that this would not be a good time to seek an additional authorization, due to the fact that it was late in the session, a political year, etc. He advised that we go ahead, however, with an appropriation request based on the present authorization and get as much as possible of the authorized funds this session, returning early in the next session with a supplemental authorization request when we were in a better position to know how much more we might need. The Senator added that it would be possible for the Appropriations Committee to recommend funds in excess of the authorization, but he did not indicate that he felt this a particularly wise practice. The Director stated that the Senator's views were identical with his own on the matter, and that he would proceed according to the Senator's advice.

The Director referred to the pending CIA legislation and indicated that he hoped that action could be taken during this session. Senator Russell stated he had introduced the bill today. He did not indicate, however, just when he expected to conduct hearings on it.

The Director mentioned his disappointment in hearing from Senator Knowland that the executive pay bill would probably not get through during this session. Senator Russell said that he was not personally aware of the status of this bill, but that he would not be surprised if it did fail to pass. He indicated that unwittingly he had been partially responsible for its recommittal to the committee

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during the last session. The bill had evidently come to his attention just before it came up for Floor action in the closing days of the session, and he noted that the Internal Revenue Commissioner and a few other executive positions appeared to be placed at a disproportionately low level. He had intended to suggest amendments on the Floor, but after having left the Floor for a few minutes, he returned to find that the bill had been recommitted. Although he did not seem to be optimistic on action this session, he said he would talk to Senator Johnston about it.

In connection with the executive pay problem, the Director explained his deep concern as to his ability to hold his top people if he is unable to pay them salaries commensurate with their abilities. He referred to the fact that he was not technically bound by Civil Service standards, but that he had been reluctant thus far to use his broader authority in the absence of Government-wide legislation. Senator Russell appeared to feel that the Director was wise in not exceeding Civil Service standards, although he recognized the problem.

The Director read to the Senator an excerpt from the Congressional Record in which Senator McCarthy announced that he was turning his files on communist subversion within CIA, etc. over to the Senate Internal Security Subcommittee, as the Committee with "the most complete jurisdiction of the subject." He sought the Senator's advice as to whether he should write to Chairman Eastland of the subcommittee and ask that the files be turned over to him for investigation. Senator Russell advised against this, and suggested that we remain silent on the matter unless and until the subcommittee takes some initiative.

2. Conversation with Senator Hayden.

The Director called on Senator Hayden to explain the problem of insufficient authorization for the CIA headquarters building. Senator Hayden agreed with the advice previously given by Senator Russell, i. e. that we should go ahead with our present appropriation request and return next session, if necessary, for additional funds. The Senator seemed to feel that any delay in getting started on a project of this sort was bound to be costly in the long run, and pointed to the example of the new Senate Office Building, which, had it been built eight years earlier as first recommended, would have been considerably more adequate than the building now contemplated.

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The Director again expressed his appreciation to Senator Hayden for his great efforts in connection with the Mansfield Resolution. The Senator conceded that the many letters he sent to his colleagues might have had something to do with the outcome. He pointed out that a great many Senators who were listed as cosponsors of the bill really were not aware of what they were sponsoring. Others, such as the late Senator Barkley who had no particular knowledge of the Resolution until just before the Floor debate, reacted immediately and violently when reminded by Senator Hayden of the importance of the matter. The Senator added that the Rules Committee was in the process of reporting out a new rule which would prevent multiple sponsorship of Senate bills. He feels that this rule, which will put the Senate on the same footing with the House on this matter, will be a very important improvement in Senate procedures.

/s/ Norman S. Paul

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